

STATEMENT OF PURPOSE

RS18255

The proposed amendments would make group supplemental health plans subject to the standardization and simplification requirements of Chapter 42, Title 41, Idaho Code. Supplemental disability policies offer limited benefits covering only specified items. This chapter already applies to individual limited benefit health plans, but it does not cover limited plans sold as group policies. Many of the group policies are being marketed through large associations and are sold to individuals and underwritten in essentially the same manner as individual plans. Making the group products subject to the same requirements as individual plans will create a level playing field for companies marketing these plans and empower consumers to make better comparisons between competing products. This proposal also updates this chapter by replacing obsolete references to health maintenance organizations with managed care organizations, changing specified accident coverage to accident only coverage and clarifying that the requirements apply to contracts continued or renewed in this state. The proposal also repeals a section of the chapter dealing with a type of application that is no longer being used by carriers in Idaho.

FISCAL NOTE

No fiscal impact.

Contact:

Name: Shad Priest

Office: Department of Insurance

Phone: (208) 334-4214